

## Durham Civic Center Authority Meeting Minutes

Tuesday, November 18, 2008

8:00 am

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The meeting was called to order at 8:00am with the following members present/absent:  
Present: Rob VanDewoestine, Rosemarie Kitchin, Patrick Byker, and Robert Sinclair  
Owner's representation: Sharon DeShazo, Micheal Lynch and Shelia Huggins.  
Management Company: Richard Brezinski, Alfrado Garner and Jamie Frydlo.  
Motion of approval for October 21, 2008 minutes moved by Rosemarie Kitchin,  
seconded by Patrick Byker, voted and agreed upon by all.

### Action Items for November meeting

- Signage update: displaying name change, date and payment process.
  - Ms. Wallace to follow-up on downtown outside signage
    - *Mr. Loziuk will begin looking at location of existing signs and planning for change when name is officially changed.*
  - When will the Authority officially change the DCCA name?
    - *The City and County attorney's have been notified on which direction to proceed with official name change of the Authority.*
- Report on "Lessons Learned" Phase I review meeting
  - *Part of agenda.*
- What are the requirements for design work for the next phase of facility repair, renovation and upgrade—
  - Who defines requirements for the project scope?
    - *The project scope will be determined by prioritizing the facility's needs; first by the Architect, and then reviewed with all stakeholders for accuracy. The criteria used for allocating funds and finalizing scope will be the same criteria established to define the scope for phase I work; description of how the scope will be established:*
      1. *Public Safety/Code Compliance*
      2. *Deferred Maintenance/Aging Systems*
      3. *Building and systems upgrades to improve operations*
      4. *Exterior/Interior Refurbishment*
      5. *Functional changes*
  - *General Services will be reviewing costs proposals and both contracts will be submitted to Council for approval. Construction funds estimated availability a year after design approval.*
    1. *A review of the Architect's proposal will begin in January; then staff will request a proposal from the CMAR for pre-construction (value-engineering) services for the design phase.*
- *Cost proposal and scope of work will be shared and discussed with the County prior to approval process.*
- *The project will need agreement from all three entities prior to going before elected officials (City, County and DCCA).*

- *We want to have agreement on the project scope at the end of the Schematic Design Phase, the scope and the process will be memorialized in the BODR*
- Assessment of full inventory and useful life of assets for review on future needs. These assets are not included in Capital Projects.
  - *Mr. Brezinski delivered update*

## **Meeting Details**

### **Process for name change of the Authority:**

The City and County attorney's have been notified. The interlocal agreement between the City and County does not address a process for changing the name of the Durham Civic Center Authority. Mr. VanDewoestine stated the Authority voted to approve the name change two years ago with joint City/County committee approval. Drew Cummings, the new County representative added if anything needs to be done it will probably be a quick amendment process within the interlocal agreement.

### **Signage change:**

Roughly 28 Signs were included in **Phase I** of the project, identified by Shaner and reviewed by the Architect. Only one sign remains to complete within the project. This sign is located in the entrance archway of the prefunction corridor. Due to the manufacturers delay, delivery of the product is anticipated by December 29 with installation to be coordinated between Shaner and the CM@R.

There are 21 signs not identified in **Phase I** with agreed completion by Shaner, and will read "Durham Marriott Convention Center". The Owner's signage responsibility via the operating budget includes one outdoor sign seen from the Plaza entrance and two trash receptacles located in the Plaza entry. All signs removed and reinstalled will need to comply with the ADA (American Disabilities Act).

To date, there are no signs identified in **Phase II**. A prior request from past Authority members for a professional sign designed and installed by a professional company was denied within previous budget requests. The Authority decided, due to budget constraints, additional signage for the Plaza will not be included in Phase II.

### **Phase I review meeting:**

In summary, the "lessons learned" meeting discussed:

- **Phase I** was not understood by all stakeholders. There were items needed in the phase I scope that were not identified nor communicated. The pre-function corridor and the existing ballroom folding partitions are the only two items included on the bid alternate list.
- By way of improving the process for Phase II, action items were identified:
  - Anticipate beginning construction for Phase II approximately one year after design approval
  - Scope of work spreadsheet organized room by room

- Funding agreement from both governing bodies
- Defining who the decision makers are
- Priorities agreed upon by all
- Project oversight
- Competing areas of need:
  - Deferred Maintenance (HVAC)
  - ADA Compliance
  - General Upgrades/remodeling
- Four major components identified:
  - Budget
    - Skanska will be involved in value engineering (pre-construction services) of the proposed scope to assist in defining the budget.
  - Scope
    - The scope document is based on the budget and the design team's review.
  - Design
    - The CM@R is included at the beginning of Phase II with design development and throughout construction to help eliminate changes within the scope due to budget constraints.
  - Opportunities
    - Stakeholders: (customer)
    - Steering Committee: (the group doing the work) will evaluate, understand priorities and report back to all.
      - (Owners) City and County
        - Micheal Lynch and Don Hasselbach
      - Shaner
        - Richard Brezinski and Jamie Frydlo
      - CM@R
        - Skanska

### **Capital Project Update November 2008:**

#### **Phase I**

The project is within budget, at 99% complete and is 15 weeks behind schedule. The August 03 completion date was delayed due to power supply problems. Duke Energy has provided technical support to enable the Architect/Engineer specifies additional "line reactor" devices but also confirms additional costs are the Owners responsibility. Eight of the line reactors have been fit. Additional roof units are being monitored for review. Completion of this issue is expected to extend into November 2008 and the CM@R has agreed that substantial completion will be issued to match the contract date of August 03, with the outstanding electrical and punch list issues being recognized under close-out, to avoid additional overhead costs to the project. Punch-list work is 95% complete. Additional scope of \$296,831.00 was added after the project construction began to include upgrading the lower pre-function corridor and replacing folding partitions in the original ballrooms. This does not include costs for the 6 items listed under Additional Scope Currently Requested outlined below, but are budgeted within the project construction contingency (155,617.95).

### Punch-list.

The schedule for punch-work was extended to allow Shaner immediate occupation and the CM@R's agreement to work under the access restrictions imposed by Shaner's booking schedule. The punch-work was further controlled by the manufacturer's lead-in time for both the carpet end-caps and the wallpaper.

- 180 items were originally identified, and the following remain incomplete;
  - Signage; original scope has been completed apart from the new "Durham Convention Centre" sign above the archway entrance of the pre-function corridor.
  - CFL lamps failing in the grand ballroom. The Architect/Engineer and CM@R are continuing to liaise with the suppliers regarding resolution with the lamp, ballast and dimmer.
  - Work to rebuild the north wall of the Grand Ballroom which has insufficient bracing is deferred until January 25 through February 2009 to meet the end-users schedule.
  - Install four missed can lights in grand ballroom 'C'; parts have been delivered, installation scheduled for late- November.

### Additional Scope Currently Requested.

The CM@R has tentatively agreed to address these requests without imposing the usual overhead costs allowed by contract.

- Upgrade the floor boxes in the Grand Ballroom the Architect/Engineer is reviewing options for repairs to the 8 X 8 access plates and for improvements under the Phase II FY 08/09 project.
- Add 'line-reactors' to the HVAC plant; previously forecast for installation by mid-November. Eight were installed on October 20 & 21. The design for the remaining four (roof top units) are contingent on further monitoring of the equipment which is ongoing.
- Add electronic thermostats to the grand ballroom and remove existing pneumatic control thermostats from the new service corridor; installation completed. Controls adjustments are due to be complete by November 21.
- Refit new Pre-function Corridor light fixtures for local switching and dimming controls; Shaner advised that this is no longer an issue.
- Add E-mail alert system for HVAC outages; the CM@R installed the alert system to the HVAC controls on June 26 and Shaner's Technology department enabled e-mail access on October 03. Shaner is requested to clarify any training requirements. Project management needs a response from Shaner on training requirements.

### FY 08/09 Project (Phase II)

A preliminary meeting was held with stakeholders to develop the project scope based on the un-funded list (appendix B) from the current project. The Architect/Engineer issued a proposed design cost proposal for the FY 08/09 Project on October 15. Following review of the Architect/Engineer's proposal, the CM@R will submit their cost proposal for design-phase pre-construction services. Before taking the cost proposal to City Council,

staff will need to review. Staff will involve the County for review and approval, then anticipate scheduling for the City Council Agenda cycle in late January. In reference to “Phase I Lessons Learned”, Mr. Lynch expressed immediate response to any additions to the Phase II scope due to the possibility of time lost and cost being great.

**Parking:**

Craig Davis conducted a preliminary review of the Centre Parking Deck and found emergency repairs that will need to be completed prior to the repairs identified in the Agreement for the Redevelopment and Renovation of the Durham City Centre Tower and City Centre Parking Deck. The request to proceed with these emergency repairs is expected to go to City Council in January of 2009, and construction would begin in June of 2009. The repairs identified in the Agreement would follow the completion of the emergency repairs.

The City Manager has announced the creation of a new department, Transit and Parking Services. As a result, Deloise Hicks, the City’s Parking Administrator, will no longer be working under General Services as of January 1, 2009. The position, instead, will operate out of this newly created Department.

**Business Plan:**

The Duke Fuqua School of Business is in process of developing a problem definition for distribution to the Authority for comments. In lieu of Shaner submitting the Business/Management Timeline in November which is outlined in the contract– it will be included in the business plan for Fuqua’s review.

**Downtown Meeting:**

This discussion was driven by the Civic Center expansion based on the Johnston Consulting Study. The study laid out a number of items that would increase usage. The study assumed the Civic Center would be at a breakeven point by 2010.

**Management Company Status Report:**

Financial data revealed major athletic bookings for the month of October. Room occupancy was up with a small increase over 2007. October revenues came in under budget at \$237,351 and \$76,282 less than prior year. Audio Visual came in at \$21,340 less than prior year. Food labor and direct expenses continue to be elevated and are being reviewed, however food cost is below budget and prior year. Administrative and General Direct Expenses is increased and over budget. \$13,000 is due to bad debt, an account 150 days past due. Agreed upon collections will be revealed in November financials. Minor Fixed Asset purchases were small. The net loss for October is \$9,631 more than the prior year.

**Agenda for next meeting**

- Status of Capital projects
- Management report
- Business Plan